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ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST VINCENT DE PAUL FOUNDATION

SEPTEMBER 30, 2011

BATON ROUGE, LOUISIANA

CONTENTS

Audited Financial Statements.

Supplementary Information:

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Certified Public Accountants

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March 22, 2012

Independent Auditor's Report

To the Board of Directors
St. Vincent de Paul Baton Rouge Council
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
St. Vincent de Paul Properties
The Society of St. Vincent de Paul Foundation
Baton Rouge, Louisiana

We have audited the accompanying Consolidated Statement of Financial Position of St. Vincent de Paul Baton Rouge Council, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (the Organizations) as of September 30, 2011, and the related Consolidated Statement of Activities, Functional Expenses and Cash Flows for the year then ended. These financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organizations referenced above as of September 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 22, 2012, on our consideration of the Organizations' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,

Hannis T. Bourgeois, LLP

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2011

ASSETS

Current Assets:	
Cash	$ 1,440,299
Grants Receivable	254,322
Other Receivable	351,981
Accrued Interest	4,286
Prepaid Expenses	42,377
Inventory	267,252
Total Current Assets	2,360,517
Property, Plant and Equipment, Net of Accumulated Depreciation	3,887,361
Investment in GCHP-One Stop, L.L.C.	50
Other Assets	2,905
Total Assets	$ 6,250,833

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts Payable	$ 113,236
Accrued Liabilities	77,071
Deferred Revenue	68,000
Total Current Liabilities	258,307
Notes Payable	160,000
Total Liabilities	418,307
Net Assets:	
Unrestricted	5,743,535
Temporarily Restricted	16,165
Permanently Restricted	72,826
Total Net Assets	5,832,526
Total Liabilities and Net Assets	$ 6,250,833

The accompanying notes are an integral part of this statement.

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CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public Support and Revenue:				
Public Support				
Contributions	$1,220,915	$ 457,082	$ -	$ 1,677,997
Conference Income	682,413	-	-	682,413
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	3,440,184	-	-	3,440,184
Total Public Support	5,343,512	457,082	-	5,800,594
Revenue:				
Grant Income	-	885,597	-	885,597
Sale of Merchandise	1,789,568	-	-	1,789,568
Miscellaneous Income	342,137	-	-	342,137
Gain on Disposition of Assets	1,693	-	-	1,693
Interest Income	13,051	1,494	-	14,545
Total Revenue	2,146,449	887,091	-	3,033,540
Total Public Support and Revenue	7,489,961	1,344,173	-	8,834,134
Net Assets Released from Restrictions:				
Satisfaction of Restrictions	1,386,252	(1,386,252)	-	-
Total Public Support, Revenue, and Net Assets Released from Restrictions	8,876,213	(42,079)	-	8,834,134
Expenses:				
Program Services	7,803,751	-	-	7,803,751
Fund Raising	209,381	-	-	209,381
Management and General	280,187	-	-	280,187
Total Expenses	8,293,319	-	-	8,293,319
Increase (Decrease) in Net Assets	582,894	(42,079)	-	540,815
Net Assets at Beginning of Year	5,160,641	58,244	72,826	5,291,711
Net Assets at End of Year	$5,743,535	$ 16,165	$ 72,826	$ 5,832,526

The accompanying notes are an integral part of this statement.

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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Program Services							
	Store	Dining Room	Shelter	Particular Council	DHAP	HPRP	LARC	Properties
Salaries and Employee Benefits	$ 635,220	$ 173,173	$ 413,365	$ 54,000	$ 7,740	$ 56,908	$ 2,268	$ -
Payroll Taxes	55,703	14,721	35,199	8,200	769	4,789	-	-
Advertising	124,700	946	2,769	-	-	-	-	-
Auto	25,120	1,416	5,241	-	366	1,674	-	-
Assistance to Needy	7,555	335	60,744	-	-	225,256	-	-
Assistance to Needy by Conferences	-	-	-	-	-	-	-	-
Dues & Publications	654	36	648	-	-	-	-	-
Employee Benefits	19,727	6,690	14,675	-	535	1,982	-	-
Food Supply Expense	245	257,040	76,416	-	-	-	-	-
Insurance	89,763	35,300	57,348	14,900	1,674	8,755	-	-
Legal and Professional	20,969	3,782	11,654	900	806	1,980	-	1,267
Meds Direct	-	-	-	-	-	-	-	-
Miscellaneous	41,852	20,844	6,037	-	-	-	-	-
Events	1,441	1,002	1,039	-	-	-	-	-
Printing	2,042	1,361	1,361	-	-	-	-	-
Pharmacist Hours (Donated)	-	-	-	-	-	-	-	-
Pharmaceuticals (Donated)	-	-	-	-	-	-	-	-
Pharmaceuticals Purchased	-	-	-	-	-	-	-	-
Repairs and Maintenance	81,235	19,242	44,970	-	-	540	-	-
Rent Expense	261,342	-	5,083	6,000	-	-	-	-
Store & Uniform Expense	2,004,334	-	-	-	-	-	-	-
Supplies	22,504	26,235	45,822	-	-	600	-	-
Postage	2,479	1,626	2,628	-	44	138	-	-
Telephone	32,605	1,713	9,330	-	1,735	-	-	-
Travel and Conventions	489	476	561	-	-	-	-	-
Utilities	56,508	21,167	48,222	-	-	2,110	-	-
Subtotal	3,486,487	587,105	843,112	84,000	13,669	304,732	2,268	1,267
Depreciation	60,187	36,571	71,436	-	-	-	-	-
Total	$ 3,546,674	$ 623,676	$ 914,548	$ 84,000	$ 13,669	$ 304,732	$ 2,268	$ 1,267

The accompanying notes are an integral part of this statement.

				Supporting Services			
Council	Foundation	Pharmacy	Total Program	Fund Raising	Management and General	Total Support	Total Program and Support
$ -	$ -	$ 176,828	$ 1,519,502	$ 111,824	$ 145,653	$ 257,477	$ 1,776,979
-	-	13,275	132,656	8,369	9,870	18,239	150,895
-	-	159	128,574	16,042	1,936	17,978	146,552
-	-	-	33,817	210	2,537	2,747	36,564
-	-	-	293,890	591	946	1,537	295,427
646,321	-	-	646,321	-	-	-	646,321
-	-	273	1,611	437	143	580	2,191
-	-	14,475	58,084	5,385	8,221	13,606	71,690
-	-	-	333,701	831	653	1,484	335,185
-	-	19,535	227,275	4,223	7,502	11,725	239,000
-	1,081	2,415	44,854	-	18,266	18,266	63,120
-	-	1,200	1,200	-	-	-	1,200
-	86	-	68,819	190	13,492	13,682	82,501
-	-	2,250	5,732	8,294	3,960	12,254	17,986
-	-	-	4,764	23,465	5,446	28,911	33,675
-	-	49,784	49,784	-	-	-	49,784
-	-	1,261,271	1,261,271	-	-	-	1,261,271
-	-	97,210	97,210	-	-	-	97,210
-	-	4,697	150,684	1,138	10,987	12,125	162,809
-	-	-	272,425	-	-	-	272,425
-	-	-	2,004,334	-	-	-	2,004,334
-	-	8,771	103,932	10,520	11,559	22,079	126,011
-	-	184	7,099	9,963	6,356	16,319	23,418
-	-	1,241	46,624	3,291	1,289	4,580	51,204
-	-	-	1,526	815	1,304	2,119	3,645
-	-	8,207	136,214	3,793	2,268	6,061	142,275
646,321	1,167	1,661,775	7,631,903	209,381	252,388	461,769	8,093,672
-	-	3,654	171,848	-	27,799	27,799	199,647
$ 646,321	$ 1,167	$ 1,665,429	$ 7,803,751	$ 209,381	$ 280,187	$ 489,568	$ 8,293,319

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Cash Flows From Operating Activities:	
Increase in Net Assets	$ 540,815
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	199,647
Gain on Disposition of Assets	(1,693)
Non-Cash Donation	(275,000)
Changes in Assets and Liabilities:	
(Increase) Decrease in Grant Receivable	(61,567)
(Increase) Decrease in Other Receivable	6,351
(Increase) Decrease in Accrued Interest	(1,468)
(Increase) Decrease in Prepaid Expenses	(10,653)
(Increase) Decrease in Inventory	11,878
(Increase) Decrease in Other Assets	1,107
Increase (Decrease) in Accrued Liabilities	(40,315)
Increase (Decrease) in Accounts Payable	100,670
Increase (Decrease) in Deferred Revenue	51,766
Cash Provided by Operating Activities	521,538
Cash Flows From Investing Activities:	
Purchases of Building and Equipment	(445,802)
Proceeds from the Sale/Disposition of Assets	8,202
Net Cash Used in Investing Activities	(437,600)
Cash Flows From Financing Activities:	
Proceeds from the Issuance of Debt	160,000
Cash Provided by Financing Activities	160,000
Net Increase in Cash and Cash Equivalents	243,938
Cash and Cash Equivalents - Beginning of Year	1,196,361
Cash and Cash Equivalents - End of Year	$ 1,440,299
Supplemental Disclosure of Cash Flow Information:	
Cash Payments for:	
Interest	$ 1,350

The accompanying notes are an integral part of this statement

Note 1 - Summary of Significant Accounting Policies -

These consolidated financial statements include the activity of St. Vincent de Paul Baton Rouge Council and its wholly-owned subsidiaries, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and its subsidiary, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (collectively, the "Organizations"). All significant intercompany balances and transactions have been eliminated in consolidation.

Nature of Activities

The Society of St Vincent de Paul Baton Rouge Council ("Council") is a nonprofit corporation organized under the laws of the State of Louisiana for the following purpose: (a) foster, encourage and carry out the works of charity in the spirit of the Society of St. Vincent de Paul, a Catholic lay organization; (b) unite all St. Vincent de Paul Conferences in the Diocese of Baton Rouge, Louisiana; (c) ensure that all Baton Rouge St Vincent de Paul Conferences conduct their affairs according to the Rule set forth in the manual of the Society of St Vincent de Paul in the United States. The members of the Council are the presidents of those Baton Rouge SVDP Conferences that are aggregated and in good standing with the Council. The Organization is exempt from income taxes under 501(c)(3) of the Internal Revenue Code

The Particular Council of St. Vincent de Paul of Baton Rouge ("Particular Council") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of operating special works as the Society of St. Vincent de Paul, a Catholic lay organization; operating salvage stores; providing a feeding facility for the needy; providing three shelters and one day center for the homeless; a transitional apartment complex for homeless women; and employment, rehabilitation and opportunities for personal growth to disadvantaged individuals. The sole member of the Particular Council is the St. Vincent de Paul Baton Rouge Council The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

St. Vincent de Paul Community Pharmacy, Inc. ("Pharmacy") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of providing a pharmacy for disadvantaged individuals. The Pharmacy operates as a special work of the Society of St. Vincent de Paul, a Catholic lay organization. The sole member of the Pharmacy is the Particular Council of St. Vincent de Paul Baton Rouge, Louisiana. The Organization is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code

St. Vincent de Paul Properties ("Properties") is a nonprofit Organization organized and operated for the exclusive purpose of holding title of property, collecting income therefrom, and turning over the entire amount thereof, fewer expenses, to the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, a Catholic lay organization. The sole member of Properties is St. Vincent DePaul Baton Rouge Council The Organization is exempt from income taxes under 501(c)(3) of the Internal Revenue Code.

The Society of St Vincent de Paul Foundation ("Foundation") is a nonprofit corporation organized under the laws of the State of Louisiana to be operated exclusively for the benefit of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, a Catholic lay organization The Foundation's primary role is to raise financial resources for the Particular Council. The sole member of the Foundation is St. Vincent de Paul Baton Rouge Council. The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code.

The Organizations have been recognized as exempt from federal income taxes, as indicated above, and accordingly do not record a provision for income taxes on their related earnings The Organizations regularly reviews and evaluates their tax positions taken in previously filed information returns and as reflected in their financial statements, with regard to issues affecting their tax status, unrelated business income, and related matters. The Organizations believe that in the event of an examination by taxing authorities, their positions would prevail based upon technical merits of such positions. Therefore, the Organizations have concluded that no tax benefit or liabilities are required to be recognized.

The Organizations' tax returns are subject to review and examination by federal, state and local authorities Tax returns for fiscal years ended September 30, 2008 through 2010 are open to examination by those authorities. In certain circumstances, the statute of limitations may remain open indefinitely.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Organizations are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, as applicable.

Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes, are reported as temporarily restricted or permanently restricted support that increases those net asset classes, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or purpose of restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met

Donated Assets, Goods and Services

Land, buildings and equipment received as donations are recognized in the accompanying financial statements at their estimated fair market value at the date they are received.

The value of donated items received for resale in the salvage store is recognized in the accompanying financial statements at their estimated fair value only to the extent that the items were resold. Any items not resold are not recorded as donations in the financial statements because there is no objective basis available to value such items

The Organizations recognize contribution revenue for certain services received at the fair value of those services provided those services create or enhance nonfinancial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended September 30, 2011, donated services of the pharmacist and accounting services were recorded as the services were performed. The value of other contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. Nevertheless, a number of volunteers donate a significant amount of time in the operations of the stores and dining hall.

The value of donated food received at the dining hall is recognized in the accompanying financial statements based on the number of meals served. Donated pharmaceuticals are reflected as contributions at the time used

St. Vincent de Paul donates space to two dentists to provide dental services for shelter residents The dentists provide all of their own supplies. St. Vincent de Paul also donates space to the Baton Rouge Primary Care Collaborative and Thirst for Justice. The Organizations do not record donated revenue for these services because they merely provide the space.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organizations consider all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Inventory

Inventory is valued at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory is primarily purchased uniforms.

Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets, which range from 5 to 39 years, using the straight-line and various accelerated methods

Contributed Facilities

The Organizations operate, without charge, certain premises upon which their salvage store and shelters are located. The estimated fair rental value of the premises is reported as support and expense in the year in which the premises are used

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on the time spent on each program.

Subsequent Events

The Organizations evaluated subsequent events and transactions for potential recognition or disclosure on the financial statements through March 22, 2012 the date which the financial statements were available to be issued

Note 2 - Property, Plant and Equipment -

A summary of fixed assets as of September 30, 2011 follows:

	Particular Council of SVDP	St Vincent de Paul Pharmacy	St. Vincent de Paul Properties	Total
Buildings and Leasehold Improvements	$ 3,163,389	$ -	$ -	$ 3,163,389
Equipment, Furnishings and Vehicles	1,501,336	23,937	-	1,525,273
	4,664,725	23,937	-	4,688,662
Less: Accumulated Depreciation	(1,736,892)	(14,512)	-	(1,751,404)
	2,927,833	9,425	-	2,937,258
Construction in Progress	93,483	-	-	93,483
Land	567,539	-	289,081	856,620
	$ 3,588,855	$ 9,425	$ 289,081	$ 3,887,361

Depreciation expense for the year ended September 30, 2011 was $199,647.

Note 3 - Concentrations -

Concentrations of credit risk and revenue sources are limited due to the large number of contributions comprising the Organizations' contributor base.

The Organizations maintain cash accounts with commercial banks, which are insured by the Federal Deposit Insurance Corporation up to the maximum allowed. Periodically, cash may exceed the federally insured amount. In addition, cash is on deposit with the Diocese of Baton Rouge and funds are secured by the investment in the Deposit and Loan Fund and by the guaranty of the Diocese.

Note 4 - 403(b) Program -

Effective December 1999, the Particular Council and the Pharmacy each set up a 403(b) program for its employees. Under the programs, qualified employees are able to make elective deferrals and the Organizations contribute up to a maximum of 6% of qualified wages The total contribution for the year ended September 30, 2011 for the Particular Council and the Pharmacy was $56,453 and $8,886, respectively.

Note 5 - Lease Commitments -

The Particular Council has entered into various lease agreements for the use of building under non-cancelable operating leases. Future minimum lease payments are as follows:

Fiscal Year	
2012	$ 76,633
2013	46,200
2014	31,750
2015	21,600
2016	10,950
Total Future Minimum Lease Payments	$ 187,133

The Particular Council has also entered into other lease agreements for the store locations that are renewed annually. Total rent expense for 2011 was $272,425

Note 6 - Endowment Funds -

Prior to and as of September 30, 2010, the Particular Council followed the Uniform Management of Institutional Funds Act of 1972 (UMIFA) and its own governing documents. UMIFA required the historical dollar amount of a donor-restricted endowment fund to be preserved. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund was spendable under UMIFA. The Particular Council's donors have limited the use of investment income or net appreciation resulting from the donor-restricted endowment funds for the use of dining room operations.

A version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) was adopted by the State of Louisiana during 2010 with an effective date of July 1, 2010. The new law updates the fundamental investment principles contained in the prior law (UMIFA), by providing standards to establish investment policies in a prudent manner by establishing a duty to minimize cost, diversify the investments, investigate facts relevant to the investment of the fund, consider tax consequences of investment decisions and to ensure that investment decision be made in light of the fund's entire portfolio as a part of an investment strategy having risk and return objectives reasonably suited to the fund and to the organization UPMIFA also permits the Particular Council to accumulate for expenditure so much of an endowment fund as the Particular Council determines to be prudent for the uses, benefits, purposes and duration for which the endowment fund is established, thereby eliminating the restriction that a fund could not be spent below its historical dollar value. Seven criteria are to be used to guide the Particular Council in its yearly expenditure decisions:

(1) duration and preservation of the endowment funds,
(2) the purposes of the Particular Council and the endowment funds,

(3) general economic conditions,
(4) effect of inflation or deflation,
(5) the expected total return from income and the appreciation of investments,
(6) other resources of the Particular Council, and
(7) the investment policy of the Particular Council.

The Particular Council has followed the policy of investing its endowment fund in its savings account

As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions

Endowment net asset composition by type of fund as of September 30, 2011 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Endowment Assets
Donor Restricted Endowment Funds	$ -	$ -	$ 72,826	$ 72,826

Changes in endowment net assets for the year ended September 30, 2011 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Endowment Assets
Endowment Net Assets, Beginning of Year	$ -	$ -	$ 72,826	$ 72,826
Contributions	-	-	-	-
Investment Income	-	1,494	-	1,494
Amounts Appropriated for Expenditure	-	(1,494)	-	(1,494)
Endowment Net Assets, End of Year	$ -	$ -	$ 72,826	$ 72,826

Note 7 - Charitable Remainder Annuity Trusts -

The Particular Council of St Vincent de Paul of Baton Rouge (Special Works) has been named a remainder beneficiary of two charitable remainder annuity trusts. Two income beneficiaries are to receive, first from income and, to the extent that income is insufficient, from principal, a total annuity equal to the annuity percentage multiplied by the initial net fair market value of the trust assets. Upon the death of the second beneficiary, the remainder principal is to be distributed to Special Works. A noncurrent asset for the charitable remainder trusts could be recognized at the present value of the expected future cash flow payments discounted at a rate of 2 00%. The expected future cash flow of that Organization's share of the fair market value of the trust principal at September 30, 2011 is less than the net present value of the annuity payments. Therefore, the balance of the expected future cash flows at September 30, 2011 equals $-0-.

Note 8 - GCHP- One Stop, L.L.C. - Leases -

St Vincent de Paul Properties entered into a grounds lease with GCHP-One Stop, L.L.C. on July 30, 2010. This lease has a rental term of 50 years with a renewal option for an additional 25 years. The total lease payments to be received each year equal $100 and payment is due in January each year. The following is a schedule by year of the future minimal lease payments receivable under the lease at September 30, 2011·

Fiscal Year·		
2012	$	100
2013		100
2014		100
2015		100
2016		100
Thereafter		4,400
Total Future Minimum Lease Payments Receivable	$	4,900

In addition to the grounds lease indicated above, St. Vincent de Paul Properties entered into a lease with GCHP-One Stop on June 2, 2011 to lease space for the purposes of a Temporary Parking Lot. The lease terms expire when either GCHP-One Stop secures Permanent Parking or at December 31, 2011 (License Term Expiration Date). The lease required the GCHP-One Stop to demolish a building near the parking area and to resurface and fence the parking lot in exchange for the use. Upon the termination of the lease, the improvements will be considered the property of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana. Total rental income recorded for this lease during the year end September 30, 2011 amounted to $62,500.

Note 9 - Investment in GCHP- One Stop, L.L.C. -

In July 2010, the Particular Council acquired a 24% interest in GCHP- One Stop, L L.C., a limited liability company established to develop the One Stop Homeless Service Center and Housing Project. The Particular Council accounts for its investment in the unconsolidated affiliate by the equity method. The Particular Council records its share of such earnings (loss) in the Consolidated Statement of Activities as "Income from GCHP-One Stop, L.L.C." and the carrying value of the investment in the unconsolidated affiliate is recorded in the Consolidated Statement of Financial Position as "Investment in GCHP-One Stop, L.L.C." The investment in the affiliate at September 30, 2011 was $50.

Note 10 - Notes Payable -

During 2011, The Particular Council of St. Vincent de Paul of Baton Rouge (Special Works) obtained two individual loans with the Diocese of Baton Rouge The first loan is being used to purchase property on Florida Boulevard, a warehouse on North Street, and to complete the renovations to the warehouse. This loan has a maximum borrowing value in the amount of $470,000 and will be drawn by the Particular Council on an as needed basis. The second loan will be used to renovate the Dining Room. This loan has a maximum borrowing value of $525,000 and will be drawn by the Particular Council on an as needed basis. After the funds have been drawn to completion for each project, each loan will be converted into individual term loans with the Diocese of Baton Rouge. At September 30, 2011, the balance of the loans totaled $160,000. The present interest rate on the borrowing is 3.5% and is subject to change until the term loan is completed. The total interest expense paid as of September 30, 2011 is $1,350

Note 11 - Net Assets Released from Restrictions -

Net Assets were released from restrictions for incurring expenses satisfying the restricted purpose as follows:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	Total
Hurricane Disaster Funds	$ 5,247	$ -	$ 5,247
Uniforms for Kids	212,851	-	212,851
Buildings	30,633	-	30,633
Shelter Contributions/Grants	513,988	-	513,988
Grants	379,834	95,156	474,990
Dining Room Contributions	147,555	-	147,555
Dental Contributions	988	-	988
Total Restrictions Released	$ 1,291,096	$ 95,156	$1,386,252

Note 12 - Restrictions on Net Assets -

The Organizations received contributions from individuals for the purpose of helping victims of hurricane disasters. The funds are restricted for hurricane disaster related expenses.

The Organizations received contributions from individuals for the purpose of purchasing school uniforms for disadvantaged children. The funds are restricted to the purchase of new uniforms.

The Organizations received grants from various sources. The funds are restricted for the purpose of the various grants

The Organizations received contributions for the purpose of expanding the Pharmacy and other building costs. The funds are restricted for the purpose of building related expenses.

The Organizations received contributions for the purpose of funding the production of Taste and See Cookbook. The funds are restricted for the purpose of expenses related to the production of the Cookbook.

Temporarily restricted net assets are available for the following purposes.

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	Total
Grants	$ 10,158	$ 5,119	$ 15,277
Hurricane Disaster Funds	888	-	888
	$ 11,046	$ 5,119	$ 16,165

Permanently restricted net assets are available for the following purposes.

Dining Room Operations	$ 72,826

During 1996, the Organizations were named partial beneficiary of a charitable remainder trust terminating in 5 years. The trust terminated in September of 2001. Upon termination, funds totaling $52,826 became permanently restricted with the future income only to be used for dining room operations.

During 2001, the Organizations received a $20,000 donation which was to be held in a separate account with the interest only to be used for dining room operations.

Note 13 - Related Party -

The Organizations utilizes the Diocese of Baton Rouge for the following self insured services: property, health, life/disability insurance and dental insurance. Payments made directly to the Diocese of Baton Rouge for these services totaled $295,294 for the fiscal year ended September 30, 2011. In addition to the self insurance services, the Diocese of Baton Rouge has loaned the Particular Council funds as indicated in Note 10 for the purchase of property and related renovations. The balance due to the Diocese of Baton Rouge at September 30, 2011 is $160,000 and the Particular Council has made $1,350 in interest payments related to this debt.

The Organizations utilizes the services of a printing company whose owner is directly related to the Chief Executive Officer/President. Payments made directly to this company totaled $29,649 for the fiscal year ended September 30, 2011

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA	Amount of Federal Expenditures
U S Department of Housing and Urban Development		
Passed through City Parish:		
Emergency Shelter Grants Program Cluster	14 231	$ 50,868
Supportive Housing Program Grants	14.235	172,646
Community Development Block Grant Cluster	14 218	45,227
Passed through Louisiana Department of Social Services, Office of Community Services		
Emergency Shelter Grants Program Cluster	14.231	55,425
Total U.S. Department of Housing and Urban Development		324,166
U.S. Department of Homeland Security		
Passed through United Way of America:		
Emergency Food and Shelter Program	97 024	30,657
Passed through Catholic Charities.		
Disaster Housing Assistance Program	97 109	15,456
Total U.S Department of Homeland Security		46,113
U S. Department of Agriculture		
Passed through Louisiana Department of Education		
Child Nutrition Cluster - Summer Food Service	10 559	50,163
Total U.S. Department of Agriculture		50,163

(CONTINUED)

U.S. Department of Housing and Urban Development
American Recovery and Reinvestment Act:

Passed Through City Parish.		
Homelessness Prevention and Rapid Re-Housing Cluster Program (Recovery Act Funded)	14.257	301,856
Total American Recovery and Reimbursement Act (ARRA)		301,856
Total Federal Grants and American Recovery and Reinvestment Act (ARRA)		$ 722,298

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Note A - Basis of Presentation -

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of The Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc. under programs of the federal government for the year ended September 30, 2011. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of The Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, In., it is not intended to and does not present the financial position, changes in net assets or cash flows of The Particular Council of St Vincent de Paul of Baton Rouge, Louisiana and St Vincent de Paul Community Pharmacy, Inc.

Note B - Summary of Significant Accounting Policies -

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, Cost Principles for Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF THE FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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March 22, 2012

To the Board of Directors
Particular Council of St Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, and St. Vincent de Paul Community Pharmacy, Inc., (the Organizations) as of and for the year ended September 30, 2011, and have issued our report thereon dated March 22, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organizations' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Organizations' internal control over financial reporting Accordingly, we do not express an opinion on the effectiveness of the Organizations' internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organizations' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

We noted certain matters that we reported to management of the Organizations in a separate letter dated March 22, 2012.

This report is intended for the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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March 22, 2012

To the Board of Directors
Particular Council of St Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
Baton Rouge, Louisiana

Compliance

We have audited the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, and St. Vincent de Paul Community Pharmacy, Inc.'s, (the Organizations) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organizations' major federal programs for the year ended September 30, 2011. The Organizations' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Organizations' management. Our responsibility is to express an opinion on the Organizations' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organizations' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Organizations' compliance with those requirements.

In our opinion, the Organizations complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2011.

Internal Control Over Compliance

Management of the Organizations are responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organizations' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organizations' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal controls over compliance that we consider to be material weaknesses, as defined above.

We noted certain matters that we reported to management of the Organizations in a separate letter dated March 22, 2012

The Organizations' responses to the prior year findings identified in our audit are described in the accompanying schedule of findings and questioned cost We did not audit the Organizations' responses and, accordingly, we express no opinion on the responses.

This report is intended for the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency, and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited

Respectfully submitted,

Hannis T. Bourgeois, LLP

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

(1) Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unqualified.

- Material weakness(es) identified? ________ Yes __x__ no
- Significant deficiency(s) identified that are not considered to be material weaknesses? ________ Yes __x__ none reported

Noncompliance material to financial statements noted? ________ Yes __x__ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ________ Yes __x__ no
- Significant deficiency(s) identified that are not considered to be material weaknesses? ________ Yes __x__ none reported

Type of auditors' report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133? ________ Yes __x__ no

Identification of major program·

	CFDA Number	
U S. Department of Housing and Urban Development		
Passed through City Parish.		
Homelessness Prevention and Rapid Re-Housing Cluster Program (Recovery Act Funded)	14 257	$ 301,856
Total U S Department of Housing and Urban Development		$ 301,856

- The threshold for distinguishing types A & B programs was program expenditures exceeding $300,000.
- The Organization did qualify as a low-risk auditee.

(2) Findings Relating to the Financial Statements Reported in accordance with *Government Auditing Standards*:
None

(3) Findings Relating to Compliance and Other Matters

None

(4) Findings and Questioned Cost Related to Federal Awards:
None

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

2010-1 - Homeless Prevention and Rapid Re-housing Program (CFDA # 14.257)

A) Compliance Area Eligibility/Record Keeping/Participant File Documentation

Grant: Homeless Prevention and Rapid Re-housing Program (HPRP)
Questioned Cost: N/A

Criteria

Upon entering the Homeless Prevention and Rapid Re-housing Program (HPRP) and every three months thereafter, all participants applying for assistance must undergo an income eligibility determination and this must be documented in the case file. The income eligibility determination must be calculated based on the criteria provided in the HPRP Eligibility Determination and Documentation Guidance.

Condition:

In completing the testing of the participant files, we noted fifteen of the thirty case files selected for testing had annual or monthly incomes that were calculated on an inconsistent basis. The clerical inconsistencies in the calculation included, but not limited to the following:

- Net income amounts were used instead of gross income amounts;
- Social security income for dependents were not included in the calculation; and
- Food stamp income was included in the income calculation.

Effect:

The participant files did not contain the appropriate calculations of income eligibility determination. Furthermore, one participant who received assistance was determined to have been ineligible. The amount of ineligible funding is $758.13.

Recommendation:

We recommended while performing the audit field work that the program staff review the necessary eligibility determination criteria to ensure accuracy in the calculation of income under the grant. In the future, we recommended that all calculations of income are in accordance with the grant requirements.

Corrective Action Taken:

The program staff reviewed all files for calculating income to determine that all other participants were eligible for the program. They determined that only the participant mentioned above was ineligible The Organization has contacted the City Parish and returned the funds immediately to them.

B) Compliance Area: Record Keeping/Participant File Documentation

Grant: Homeless Prevention and Rapid Re-housing Program (HPRP)

Questioned Cost: N/A

Criteria:

Each participant file is required to have certain documentation related to housing status, individualized service plans, unit inspections/habitability requirements, rent reasonableness, lease agreements, and various other required documents under the grant agreement.

Condition:

In completing the testing of the participant files, we noted seven of the thirty files did not have signed individual service plans that were completed, after the change in the requirement The service plans were in the file, however, had not been signed by the participant. Additionally, we noted one participant file did not have the appropriate housing status documentation. The participant was delinquent on their rent, therefore per the grant eligibility document there must be an eviction notice on file that indicates that the applicant must leave their housing. The file contained only a letter from the landlord indicating they were late on rent payments. We further noted one participant received assistance after the three month initial project entry date and the participant had not been recertified.

Effect:

The participant files as discussed above did not contain the appropriate documentation as required by the grant agreement

Recommendation

We recommended that the program staff prepare a checklist to ensure that all required documentation is included in each participant file. We also recommended that the program staff develop a database of clients which details that dates of admission and due dates of completion of all the required assessments and updates. This database should also indicate the date of completion of the required assessments and updates.

Corrective Action Taken:

The Organization has taken steps and has implemented a checklist program to ensure that all required documentation is included in each participant's file.

SUPPLEMENTARY INFORMATION

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March 22, 2012

Independent Auditor's Report on
the Supplementary Information

To the Board of Directors
St. Vincent de Paul Baton Rouge Council
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
St. Vincent de Paul Properties
The Society of St. Vincent de Paul Foundation
Baton Rouge, Louisiana

We have audited the consolidated financial statements of the St. Vincent de Paul Baton Rouge Council, Particular Council of St Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation as of and for the year ended September 30, 2011, and have issued our report thereon dated March 22, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Respectfully submitted,

Hannis T. Bourgeois, LLP

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2011

ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties
Current Assets:			
Cash	$ 195,113	$ 412,037	$ 2,000
Grants Receivable	-	243,766	-
Other Receivable	-	351,881	-
Accrued Interest	-	1,364	-
Prepaid Expenses	-	31,260	-
Inventory	-	254,692	-
Due From Related Entities	-	-	-
Total Current Assets	195,113	1,295,000	2,000
Property, Plant and Equipment, Net of Accumulated Depreciation	-	3,588,855	289,081
Investment in GCHP-One Stop, L.L.C.	-	50	-
Other Assets	-	2,905	-
Total Assets	$ 195,113	$ 4,886,810	$ 291,081

LIABILITIES AND NET ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties
Current Liabilities:			
Accounts Payable	$ -	$ 101,270	$ -
Accrued Liabilities	-	69,874	-
Due To Related Entities	400	7,469	-
Deferred Revenue	-	-	-
Total Current Liabilities	400	178,613	-
Notes Payable	-	160,000	-
Total Liabilities	400	338,613	-
Net Assets:			
Unrestricted	194,713	4,464,325	291,081
Temporarily Restricted	-	11,046	-
Permanently Restricted	-	72,826	-
Total Net Assets	194,713	4,548,197	291,081
Total Liabilities and Net Assets	$ 195,113	$ 4,886,810	$ 291,081

The accompanying notes are an integral part of this statement.

St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
$ 772,971	$ 58,178	$ -	$ 1,440,299
-	10,556	-	254,322
-	100	-	351,981
2,922	-	-	4,286
-	11,117	-	42,377
-	12,560	-	267,252
-	7,869	(7,869)	-
775,893	100,380	(7,869)	2,360,517
-	9,425	-	3,887,361
-	-	-	50
-	-	-	2,905
$ 775,893	$ 109,805	$ (7,869)	$ 6,250,833
$ -	$ 11,966	$ -	$ 113,236
-	7,197	-	77,071
-	-	(7,869)	-
-	68,000	-	68,000
-	87,163	(7,869)	258,307
-	-	-	160,000
-	87,163	(7,869)	418,307
775,893	17,523	-	5,743,535
-	5,119	-	16,165
-	-	-	72,826
775,893	22,642	-	5,832,526
$ 775,893	$ 109,805	$ (7,869)	$ 6,250,833

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties
CHANGES IN UNRESTRICTED NET ASSETS:			
Unrestricted Public Support and Revenues:			
Contributions	$ -	$ 728,151	$ 253
Conference Income	682,413	-	-
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	-	2,128,913	-
Sale of Merchandise	-	1,789,568	-
Interest Income	-	3,996	-
Gain on Disposition of Assets	-	1,693	-
Miscellaneous	-	341,917	-
Net Assets Released From Restrictions	-	1,291,096	-
Total Unrestricted Public Support and Revenues	682,413	6,285,334	253
Expenses:			
Program Services	646,321	5,619,567	1,267
Fund Raising	-	201,020	-
Management and General	-	255,424	-
Total Expenses	646,321	6,076,011	1,267
Increase (Decrease) in Unrestricted Net Assets	36,092	209,323	(1,014)

(CONTINUED)

St. Vincent dePaul Foundation	St Vincent dePaul Pharmacy	Eliminations	Total
$ 360,700	$ 261,811	$ (130,000)	$ 1,220,915
-	-	-	682,413
216	1,395,055	(84,000)	3,440,184
-	-	-	1,789,568
9,037	18	-	13,051
-	-	-	1,693
-	220	-	342,137
-	95,156	-	1,386,252
369,953	1,752,260	(214,000)	8,876,213
1,167	1,671,129	(135,700)	7,803,751
-	45,161	(36,800)	209,381
-	66,263	(41,500)	280,187
1,167	1,782,553	(214,000)	8,293,319
368,786	(30,293)	-	582,894

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:			
Restricted Public Support and Revenues:			
Contributions	$ -	$ 457,082	$ -
Grant Income	-	798,717	-
Interest Income	-	1,494	-
Net Assets Released from Restrictions	-	(1,291,096)	-
Increase (Decrease) in Temporarily Restricted Net Assets	-	(33,803)	-
Increase (Decrease) in Net Assets	36,092	175,520	(1,014)
Net Assets, Beginning of Year	166,121	4,367,142	291,081
Transfer to (from) Entities	(7,500)	5,535	1,014
Net Assets, End of Year	$ 194,713	$ 4,548,197	$ 291,081

The accompanying notes are an integral part of this statement.

St. Vincent dePaul Foundation	St Vincent dePaul Pharmacy	Eliminations	Total
$ -	$ -	$ -	$ 457,082
-	86,880	-	885,597
-	-	-	1,494
-	(95,156)	-	(1,386,252)
-	(8,276)	-	(42,079)
368,786	(38,569)	-	540,815
406,156	61,211	-	5,291,711
951	-	-	-
$ 775,893	$ 22,642	$ -	$ 5,832,526

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March 22, 2012

To the Board of Directors
St. Vincent de Paul Baton Rouge Council,
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana,
St. Vincent de Paul Community Pharmacy, Inc.,
St. Vincent de Paul Properties, and
The Society of St. Vincent de Paul Foundation
Baton Rouge, Louisiana

In planning and performing our audit of the financial statements of St. Vincent de Paul Baton Rouge Council, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties and the Society of St. Vincent de Paul Foundation (the Organizations) for the year ended September 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the Organizations' internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated March 22, 2012, on the financial statements of the Organizations

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Organizations' personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Segregation of Duties

Finding:

During the documentation of internal controls, we noted that the same employee prepares and post journal entries, reconciles the bank accounts, and prepares and processes payroll. We also noted that the bank reconciliations were not reviewed by management after preparation

Recommendation

Although the size of the Organizations' staff limits the extent of segregation of duties and management has implemented various procedures to segregate certain duties, we believe certain additional steps could be taken to further segregate incompatible duties The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction.

We recommend that the CEO/President authorize and/or approve adjusting journal entries In addition, we recommend that the bank reconciliations be reviewed for accuracy and completeness on a timely basis by the CEO/President or check signer. This review should be documented through the signature or initials of the reviewer. While an authorized check signer is signing the payroll checks we recommend that he also review the payroll register for proper pay rates etc and document his review.

Cash Receipts

Finding

During the testing of cash receipts, we noted cash receipts for special events are counted by two individuals and store sales daily deposits and daily sales report are prepared by two individuals. However, the preparation and/or count is not initiated or signed off on by both individuals. Additionally, we noted that the individuals taking the deposits to the bank are typically the same individual preparing the deposit slips at the store locations.

Recommendation

As an additional segregation of duties, we recommend that the individual responsible for the preparation of the deposit slips is not the same individual that is making the deposit at the bank. We further recommend that individuals responsible for the cash receipts count and for the preparation of the daily sales report are indicating their review and approval of totals

Procurement Policy

Finding

During our audit procedures, we noted the procurement policy of the Organizations required three verbal bids for purchases over $500 and three written bids for purchases over $750. Based on our discussions with the Accounts Payable Clerk and review of supporting documentation, the policy was followed for "out of the ordinary" expenditures and not the normal reoccurring expenditures or items that were purchased through Catholic purchasing.

Recommendation.

We recommend that the Organizations review the procurement policy to ensure the proper wording and intent. The policy should be established requiring the purchasing agent or equivalent employee to obtain competitive bids from several suppliers for single purchases over a specified amount or ongoing purchases that are expected to aggregate to a specified amount. The agent should compare the bids and recommend one based on factors, such as cost, quality, delivery, customer support, etc. The recommendation should be approved by the appropriate level of management (CEO/President or Board of Directors) based on the review of the various bids and information supporting the recommendation. The policy should meet, at least, the minimum requirements to comply with state and federal grants.

Inventory Observation

Finding

During the inventory observation for the Pharmacy, we noted several errors in the inventory count due to estimations being used or general human error (i e. overlooking bottles, items not in the appropriate location, etc). While the total dollar amount of the error was considered to be immaterial to the financials, there was a variance of 928 pills during the observation

Recommendation

We recommend the inventory count procedures be reviewed and instructions provided to counters prior to the counting process. In order to obtain an accurate physical inventory count, the inventory items should be neatly organized and additional counters and supervisors performing test counts should be used.

St. Vincent de Paul Council

Finding

During our audit procedures, we noted that the Board of Directors does not review financial information on the St. Vincent de Paul Council during the year. In addition, we noted that the District Council Board does not receive financial statements during the year for review. However, reports are provided from the individual conferences to the St. Vincent de Paul Administrative office on a quarterly basis. We also noted during our auditing procedures that St. Joseph Paulina is operating under their own tax identification number, while still being included in the St. Vincent de Paul Council.

Recommendation

We recommend that the Board of Directors and the District Council Board receive and review financial reports for St Vincent de Paul Council on a quarterly basis. We also recommend that the Board review and make a determination as to whether St. Joseph Paulina should be included in St. Vincent de Paul Council.

Homeless Prevention and Rapid Re-housing Grant

Finding:

During our case file testing on the Homeless Prevention and Rapid Re-housing (HPRP) Grant, we noted clerical inaccuracies related to the entering of income on the Household Eligibility Assessment Form/Client Assessment Form (HEAF/CAF), the Consumer Exit Check Sheet, and the Income Eligibility Determination Worksheet. These inaccuracies included the following.

- Applicable pay periods were not input correctly when calculating income on the Income Eligibility Worksheet
- Current income was input incorrectly on the HEAF/CAF and Consumer Exit Check Sheets for recipients of unemployment

- A HUD Annual Median Income rate was used to calculate a State case file for eligibility
- Monthly child support payments were not included in the current income on the Consumer Exit Check Sheet.
- Case file was missing a self declaration of income form.

While these items did not have an overall effect on the eligibility of the 25 case files reviewed, in total we noted clerical inaccuracies on 9 of our sampled items A combination of the above errors was present in some of the case files.

Recommendation:

We recommend that the program staff review the necessary eligibility determination criteria to ensure accuracy in the calculation of income under the grant. We recommend that the program staff contact the granting agency to determine the appropriate calculation of current income numbers that should be included on the indicated forms. Additionally, we recommend for all calculations of income that the mathematical work for the calculation is shown in the client file that can be agreed to supporting documentation maintained.

Information Technology

Finding

During the documentation of internal controls, we noted that computer files are backed up and were stored on site. In addition, we noted that password policy of the organization, while requiring an unique password with numbers and letters for each employee, does not require employees to periodically change these passwords.

Recommendation:

One of the main reasons for creating backup files is to be able to recover data in the event of a disaster, such as fire or water damage. This objective is not served if backup files are not kept separate from the regular files. We recommend that daily backup files be stored in the fireproof safe in the Administrative Office. We further recommend that monthly and year-end files be properly labeled and stored off premises in a fireproof vault Another alternative would be the use of online storage and data backup

In order to reduce the risk of access to computer files by unauthorized personnel, we recommend that the Organizations institute a policy that requires passwords to be changed on a regular basis. The Organizations may also wish to investigate building into its software automatic expiration of passwords to ensure that they are changed periodically

This report is intended for the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency and is not intended to be and should not be used by anyone other than these specified parties However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Society of St. Vincent de Paul

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March 29, 2012

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RE St Vincent de Paul Administrative/Management Response to the Management Letter
Dated March 22, 2012

To Whom It May Concern

A. Segregation of Duties

In regard to the above issue, during the documentation of internal controls, the auditors noted that the same employee prepares and posts journal entries, reconciles the bank statements, and prepares and processes payroll. The auditor also noted that the bank reconciliations were not reviewed by management after preparation

We will follow the audit recommendation to add additional steps to further segregate incompatible duties No one employee will have access to both physical assets and the related accounting records or to all phases of a transaction

Further, the President/CEO will authorize and approve adjusting journal entries The President/CEO or an authorized check-signer will also review the bank reconciliations for accuracy and completeness on a timely basis Finally, an authorized check-signer signing payroll will review the payroll register for proper pay rates, etc , and document their review

B. Cash Receipts

During the testing of cash receipts, the auditor noted that cash receipts for special events are counted by two individuals and stores sales daily deposits and daily sales reports are prepared by two individuals However, the preparation and/or count is not initiated or signed off on by both individuals Additionally, individuals taking deposits to the bank are typically the same individuals preparing deposit slips at store locations

We will follow the audit recommendation to segregate duties by making sure that the individual responsible for the preparation of the deposit slips is not the same individual that is making the deposit at the bank whenever possible The stores sometimes only have one or two staff members on duty, which makes it difficult to ensure that this happens in every instance We will have individuals responsible for the cash receipts count and for the preparation of the daily sales report indicate their review and approval of totals Per auditor's recommendation, both staff members will sign off on preparation and count of deposits

C. Procurement Policy

During the audit, it was noted that the procurement policy of the organization requires three verbal bids for purchases over $500 and three written bids for purchases over $750 It was noted that the policy was followed for "out of the ordinary" expenditures and not the normal recurring expenditures or items purchased through the Catholic Purchasing organization

Again, we will follow the auditor's recommendation and review the procurement policy to ensure the proper wording and intent Management does note that the Catholic Purchasing organization actually performs the function of getting bids from companies on a wide array of ordinary products such as janitorial and supplies Therefore, management recognizes that the prices are lower than can be received on the open market However, the organization will document this fact or change its procurement policy to reflect this fact We will also follow the auditor's recommendation by establishing a policy that requires the purchasing agent to obtain competitive bids from several suppliers for single purchases over a specified amount or ongoing purchases that are expected to aggregate to a specified amount The agent will compare bids and recommend one based on factors, such as cost, quality, delivery, and customer support The recommendation will be approved at the appropriate level of management by the President/CEO The policy will meet the requirements to comply with state and federal grants, as they do now

D. Inventory Observation

During the inventory observation of the pharmacy, the auditor noted several errors in inventory count due to estimates being used, or general human error

Again, we will follow the auditor's recommendation and establish inventory count procedures that will be reviewed and provided to counters prior to the counting process The inventories will be neatly organized and additional counters and supervisors will perform test counts as recommended

E. St. Vincent de Paul Council of Conferences

During the audit procedures, the auditor noted that the Board of Directors does not review financial information on the St Vincent de Paul Council during the year In addition, the auditor noted that the District Council Board does not receive financial statements during the year for review However, reports are provided from the individual conferences to the St Vincent de Paul Administrative office on a quarterly basis The auditor also noted, during the audit procedures, that St Joseph Paulina is operating under their own tax identification number, while still being included in the St Vincent de Paul Council

Again, we will follow the auditor's recommendations in regard to this matter. Quarterly financial reports will be received and reviewed by Council officers In addition, the reports will be made available to the Board of Directors and reviewed at least semi-annually In regard to the St Joseph Conference in Paulina, the Council will make a determination as to whether it should be included in the District Council of Conferences

F. Homeless Prevention and Rapid Re-housing Grant

During the audit and testing on the Homeless Prevention & Rapid Re-housing grant, the auditor noted clerical inaccuracies in the entering of income on the Household Eligibility Assessment Form/Client Assessment Form, the Consumer Exit Check Sheet and the Income Eligibility Determination Worksheet These items did not have an overall effect on eligibility

We will fully implement the auditor's recommendation that the program staff review the necessary eligibility determination criteria to ensure accuracy in the calculation of income under the grant Program staff will contact the granting agency in writing to determine the appropriate calculation of current income numbers that should be included on the indicated forms For all calculations of income, the mathematical work for the calculation will be shown in the client file so it agrees with supporting documentation maintained Staff will also make a concerted effort to ensure that no further typographical errors occur

G. Information Technology

During the audit of internal controls, the auditor noted that computer files are backed up and stored on-site It was noted that there is a password policy, however, employees are not required to periodically change these passwords

We will follow the auditor's recommendation that daily back-up files be stored in a fireproof safe in the administrative office We will develop a way of keeping monthly and year-end files stored off the premises or utilize online storage and data back-up

Finally, we will implement a new policy that requires passwords to be changed on a regular basis We will implement controls to ensure that employees follow the newly established policy

If you have any questions or need further information in regard to this matter, please don't hesitate to contact me at (225) 383-7837, extension O

Sincerely,

Michael J. Acaldo
President & CEO